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FISCAL IMPACT STATEMENT

LS 6120

BILL NUMBER: HB 1012

NOTE PREPARED: Nov 20, 2012

BILL AMENDED:

SUBJECT: Sale of a Public School Building.

FIRST AUTHOR: Rep. Lehman

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill provides that a school corporation may sell a vacant or unused school building after the school building is made available for sale or lease to a charter school for at least two years. (Current law provides that a vacant or unused school building may be sold to an entity other than a charter school after 48 months.)

The bill provides that a governing body of a school corporation may request a waiver from the Department of Education (DOE) from the requirement that a vacant school building must be made available to a charter school. It provides that, not later than 30 days after a governing body of a school corporation sends notice of a waiver request to a charter school sponsor or a statewide organization that represents charter schools, the sponsor or organization may submit a qualified objection to the waiver request to the DOE. The bill also provides that the DOE must deny a waiver request if it receives a qualified objection.

The bill provides that the DOE must maintain a list of the name and address of each charter school sponsor and statewide organization representing charter schools on the DOE's Internet web site.

This bill provides that if the DOE does not receive a qualified objection from a charter school or statewide organization representing charter schools, the governing body may dispose of the vacant or unused school building in any lawful manner.

The bill provides that the definition of a charter school includes an entity or group seeking approval from a sponsor to operate a charter school.

Effective Date: Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: Under the bill, a school corporation may request from the DOE a waiver from the requirement that a vacant school building must be made available to a charter school. This provision of the bill could potentially increase expenditures by charter schools for buildings, if the number of unused school buildings available for lease or purchase by charter schools is reduced. The impact is likely to be minimal since, under the bill, a school corporation has to send a certified letter to each charter school notifying them of the school corporation's intent to sell a building. If a charter school has any intention of possibly using the building, they would probably file an objection under the bill and the building would remain on the unused school buildings list.

Background: The current unused school building report has 14 school corporations listing 37 unused school buildings. Currently, a school corporation is required to lease a school building on the State Unused School Building List for \$1 per year. The charter school is responsible for the maintenance of the building.

Explanation of Local Revenues: The bill could increase the revenue for local schools depending on the number of buildings school corporations are able to sell under the bill and depending on the selling price of those buildings.

State Agencies Affected:

Local Agencies Affected: Local school corporations; Charter schools.

Information Sources: Department of Education Charter School Website, <http://www.doe.in.gov/student-services/charter-schools>

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